

# Excuse me Mr President, could we have a drink, please?



By [Rowan Leibbrandt](#)

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I need to say upfront that I'm a partner in a business that sells alcoholic drinks. Gin mostly, but we do - sorry did - a bit of everything. Of course, I'm aware that there are many other industries and entrepreneurs in the same boat; other businesses that, prior to lockdown, also had businesses with exciting prospects.



Rowan Leibbrandt, founding owner of Truman & Orange

Ours had grown from a startup that I ran from my parent's dining room table (thanks mom) to a business of 70 people and plans to take over the world.

But I'm not writing today only as someone whose livelihood, and those of the 70 people who have entrusted their careers with us, depends on our ability to sell our wares. I'm also writing as a citizen, increasingly confused by what our government is hoping to achieve with the alcohol moratorium they have in place.

## Alcohol ban no silver bullet

SA and a handful of other countries have decided to ban alcohol sales during lockdown - Greenland was one of the places that enacted something similar. If countries had opposites, I think Greenland might be ours. The place is a gigantic ice block where about 60,000 people live, and I'm just not sure that we have enough in common with them to be copying their best practise when it comes to banning alcohol sales.

As an intriguing, but totally unrelated fact, parts of Greenland also ban burials: it's so covered in permafrost that it's practically impossible to bury someone; if you try, the body never decomposes and often gets pushed back up by the frost. Anyway, I digress.

I think most of us grimly nodded when we were told the country was going into lockdown a few weeks back. Given how scary some of the prognosis looked, it seemed like the only solution – slow this thing down and give the hospitals some time to prepare for the unprecedented numbers of people they were going to be treating, as the virus inevitably infected more and more people. “Flatten the curve!” we shouted from the rooftops.

Despite recent data that seems to suggest that Covid-19 isn't quite as dangerous as was initially feared, this still seems to have been a sensible response given what we knew at the time. What is less clear, is how insisting that people not drink during this period flattens anything other than your mood.

I find the argument that the alcohol ban has miraculously delivered us fewer deaths and quieter hospitals, and is therefore justified, a little baffling. The lockdown has dropped levels of everything – my guess is we have far fewer road deaths too, and probably street muggings, but no one is suggesting that we stay in indefinite lockdown to maintain that. It would be silly.

If we discovered that North Korea had lower crime rates, I don't think that many of us would be suggesting that we copy their version of statesmanship either. And if banning alcohol sales was such a silver bullet, why isn't the rest of the world copying our genius? Maybe, just maybe, it's not so smart after all.



### Liquor losses make for a sobering situation

Nielsen 22 Jul 2020



## Lessons from the Prohibition

So here we are; a weird outlier of a country where we're unable to have a drink while living through these crazy, scary times. Okay, so what do we know about protracted periods of prohibition? Quite a bit as it turns out. The US prohibition is probably the most prominent natural experiment that we have.

Contrary to popular belief, if you make something that people want illegal, it doesn't just go away. Worth remembering that marijuana was (or still is, I'm never really sure where we are on this) illegal and was still widely available and used. It's been estimated that 70% of our cigarettes are effectively illegal as no government excise is being paid. What gives us any confidence that we can effectively police an alcohol ban, even if it was a good idea?

We sometimes forget that it's not the government that decides if something is needed by people, we do that for ourselves. In the case of the 1920's when the US outlawed alcohol, it created an enormous black market. The demand didn't go away, people just started buying it from illegal sources. Powerful gangs emerged to smuggle it in, set up underground bars where it could be served, corrupt law enforcement and politicians, and fight brutal battles against one another for control of the lucrative black market in booze.

Instead of Prohibition ending drinking in the US, people continued drinking, but it created an environment of lawlessness and ultimately created organised crime in America. What had once been unorganised street gangs, these small-time criminals gradually found themselves in control of the US booze market - this is when men like “Scarface” Al Capone, and the Italian-American Mafia rose to prominence. Nice chaps, just what we need in SA.

“Aha, but that was almost 100 years ago,” I hear you say. Or, “But this is only temporary.” The problem is the laws of economics are like those of physics – they are always with us, they don't go away, and they don't really care about well-meaning intentions. We've created a situation where people want to drink (and smoke for that matter) and the only way to

do that is to break the law and buy it from a criminal.

Once that opportunity has been created it becomes difficult to remove – the longer we leave it, the more established organised crime becomes, the more money it makes, and the more able and incentivised it becomes to try use some of that money it is generating to affect the political process by corrupting politicians and law makers. We are not a country known for being able to control corruption, and this is setting the scene for a horrendous and very predictable outcome if it continues.



### When good intentions go bad - an alcohol prohibition history lesson

Hellen Ndlovu 5 May 2020



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## Taxation

To some people it seems inappropriate to be talking about money at a time when so many people's lives seem to be at risk, but any sensible discussion about the restriction on alcohol sales needs to acknowledge the enormous contribution that excise makes to our tax intake. Personally I don't find the money argument (as in, there will be much less if we continue to ban booze) to be the most important.

But at a time when our government needs to generate as much revenue as possible, it does seem counter-intuitive to force underground an industry that contributes so significantly to our economy (R128bn was the estimate in 2018).

Every bottle of spirits that we drink sees about R70 of excise going to the state to build school, roads, hospitals and all the things that we value in a functioning society and will need to support our recovery once Covid has passed. Simple maths tells us that the booze ban means we will need alternative sources of taxation to fill the gap created by the billions in lost excise revenue – and with the economy on its knees it's not clear that there are any.



### Alcohol industry applies for deferment of R5bn in excise tax

20 Jul 2020



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## Personal liberty

Perhaps the most important case for the sale of alcohol to be reinstated is that our democracy is founded on principles that assume individuals are responsible for their own lives. The argument for liberty, for its own sake, is a strong one. For some reason most people don't seem to find this particularly compelling, which I find strange given our authoritarian history.

I think the issue with liberty is that it sounds a bit like an academic concept...until it doesn't. If the government can take away your right to have a drink, or a smoke, they can take away many other things too when they choose.

If we give them the space to do this, then we open the door a little for a future when bureaucrats can decide that they don't like what you read, what TV you decide to watch, which church you visit, what language you talk to your kids, or how you make a living. The list of things government might want to change is a never-ending one, and once they get going history suggests they're difficult to stop.

As far as I'm concerned, the role of a government is to provide a safe environment for individuals ultimately to live their own lives. And as long as we don't hurt those around us, then we should be allowed generally to pursue our own path to fulfilment.

Some people might reach their potential, and others might not, but that's the crux of this great experience and responsibility that we call life. And it's not up to government to impose behavioural rules because they've decided my wellbeing will be enhanced; that was my parents' job and now that I'm an adult, it's mine.

There are lots of good reasons why the alcohol ban is a bad idea, not the least of which is that South Africans like standing around a braai with a beer, or enjoying a bottle of wine with their partners, or having a dop with mates (even if it's over Zoom), or any of the other occasions when we might want a drink. And for a lot of us, these times are some of the most memorable that we have with good friends or our partners. So, go on Mr President, let us have a drink – I'll be the first to buy you one.

## ABOUT ROWAN LEIBBRANDT

Rowan Leibbrandt is a founding partner of Truman & Orange, a premium drinks company. Returning to South Africa to apply 20 years' experience in various management positions at blue chip liquor companies, Rowan has lived in Swaziland (where he was born), the UK, Russia, Germany and worked extensively in France, Germany, Portugal and Greece. He is passionate about Africa, and the opportunity to introduce African drinkers to the premium, discovery brands Truman & Orange curates.

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